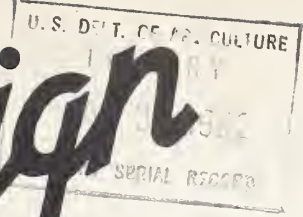


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Foreign



CROPS AND MARKETS

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AUSTRIAN COTTON SITUATION FAVORABLE

Activity in all phases of the Austrian cotton industry is expected to continue favorable this season, following a high level of activity in 1960-61.

Consumption this season may slightly exceed the postwar record 127,000 bales (500 pounds gross) used in 1960-61, as general economic activity in Austria continues to expand. However, the rapid expansion in economic activity has resulted in labor shortages in some textile mills, and could hinder further textile output increases. Cotton gained a larger share of Austria's textile market last season as consumption of this fiber rose 6 percent from 120,000 bales during the previous season. Use of rayon fell 6 percent from 18,449 metric tons in 1959-60 to 17,397 tons in 1960-61.

Austria imported 133,000 bales last season--4 percent above intake of 128,000 in 1959-60, and the largest since 133,000 bales were imported in 1929-30. The United States easily maintained the role of leading supplier last season. This country accounted for 74,000 bales or 56 percent of total imports in 1960-61, compared with 47,000 bales or 37 percent of the total a year earlier.

Quantities imported from non-U.S. sources during 1960-61, with comparable 1959-60 figures in parentheses, were: U.S.S.R. 15,000 bales (19,000); Peru 8,000 (13,000); Mexico 7,000 (9,000); Egypt 7,000 (18,000); Syria 5,000 (9,000); Brazil 5,000 (3,000); and Sudan 4,000 (4,000).

Intake in the first 2 months (August-September) of the current season amounted to 16,000 bales, equal to the comparable 1960-61 period. In the first 2 months of this season, the U.S. supplied about half of Austria's imports, while the remainder was obtained from Peru, Brazil, Mexico, and several other countries.

Total imports this season may decline slightly from 1960-61. If, as expected, imports approximate consumption, stocks this season will not change greatly from the 40,000 bales on hand August 1, 1961.

COTTON CONSUMPTION RISES IN CANADA

Consumption of cotton in Canada, based on the number of bales opened by mills, reached 137,000 bales (500 pounds gross) in the first 4 months (August-November) of the current season. This is 17 percent above the 117,000 bales opened in a comparable period of the previous season, and is the highest rate of consumption for this period since August-November 1956-57, when 138,000 bales were used.

Consumption in November totaled 36,000 bales, equal to the preceding month, and 16 percent higher than the 31,000 bales used in November 1960.

COMMITTEES TO STUDY RHODESIAN-NYASALAND TOBACCO INDUSTRY

Two committees have been appointed to study the tobacco industry in the Federation of Rhodesia and Nyasaland.

One committee will study the marketing of tobacco and make recommendations for improvements. The erratic prices of the past season are responsible for this study. The committee plans to start its investigation in early May.

The other committee will study the possibility of making annual cost-of-production surveys for flue-cured tobacco grown in Southern and Northern Rhodesia. The results of these surveys are to be available by the end of each season. Cost-of-production figures would help determine the profitability of producing flue-cured, and assist growers to reduce costs. Cost surveys of the past are reported of little value to the industry because the results were not made available until about 2 years after the study was made.

ITALIAN TOBACCO CONSUMPTION RISES 6 PERCENT

Consumption of tobacco products in Italy during fiscal 1960-61, as indicated by Monopoly sales, totaled 129.5 million pounds--about 6 percent above the 122.3 million in fiscal 1959-60. Cigarette consumption amounted to 114.3 million pounds, compared with 106.5 million in fiscal 1959-60 and represented 88.3 percent of total consumption. (Die Tabak Zeitung-Mainz).

U.K. TOBACCO IMPORTS DOWN SLIGHTLY

The United Kingdom's total imports of unmanufactured tobacco, at 208.1 million pounds, during the first 9 months of 1961 were slightly below the January-September 1960 level of 209.2 million. Reduced takings from non-Commonwealth areas offset increases from Commonwealth countries.

Imports from the United States, at 55.6 million pounds, were 13.4 million pounds below the January-September 1960 level of 69.0 million and accounted for only 26.7 percent of total imports in contrast to 33.0 percent last year. However, the U.S. share of the British market on a calendar year basis will be well above that for the first 9 months because of the very large amounts that normally arrive during the last 3 months.

Takings from the Commonwealth countries totaled 150.4 million pounds compared with 137.3 million during the first 9 months of 1960. Imports from the Rhodesias-Nyasaland, India, and Canada were larger last year than in January-September 1960.

TOBACCO, UNMANUFACTURED: United Kingdom, imports by country of origin,
January-September 1960 and 1961

Country of origin	January-September 1960		January-September 1961	
	Quantity	Percent of total	Quantity	Percent of total
	1,000 pounds	Percent	1,000 pounds	Percent
Commonwealth:				
Rhodesias-Nyasaland..	67,205	32.1	72,060	34.6
India.....	39,418	18.8	41,694	20.0
Canada.....	28,122	13.4	33,913	16.3
Other.....	2,576	1.3	2,782	1.4
Sub-total.....	137,321	65.6	150,449	72.3
Non-Commonwealth:				
United States.....	69,040	33.0	55,615	26.7
Italy.....	438	0.2	--	--
Greece.....	47	1/	334	0.2
Turkey.....	22	1/	32	1/
Other.....	2,338	1.2	1,701	0.8
Sub-total.....	71,885	34.4	57,682	27.7
Total.....	209,206	100.0	208,131	100.0

1/ Less than one-twentieth of one percent.

SOURCE: Tobacco Intelligence, Commonwealth Economic Committee.

Imports of flue-cured totaled 195.9 million pounds compared with 194.2 million in January-September 1960. Larger takings from the Rhodesias-Nyasaland, India and Canada offset reduced imports from the United States.

PORTUGAL'S DRIED FIG
CROP DOWN

The 1961 dried fig crop in Algarve Province, Portugal is now estimated at only 8,000 short tons, the smallest in at least 15 years. By comparison, the 1960 crop, a near-average, was 13,200 tons.

Edible production from the 1961 crop is estimated at only 5,200 tons as against 9,400 tons in 1960. Unusually dry and hot weather and heavy attacks of Mediterranean fruit fly during late summer 1961 proved more devastating than previously estimated. The size of the individual fruits is also generally small.

Exports of dried figs and of fig paste during the 1961-62 marketing season will be considerably smaller--perhaps about half--of the 1960-61 volume. In 1960-61, 6,100 tons were exported consisting of 2,300 tons of dried figs and 3,800 tons of paste. Shipments of fig paste to the United States alone totaled 3,555 tons. In 1961-62 exports of figs and paste may total only 3,200 tons. By the beginning of December 1961 2,704 tons had been exported, including 1,748 tons of dried figs and 956 tons of paste. If Portuguese trade estimates are correct, only about 500 tons--of figs and paste--from December onward remain to be exported.

Portuguese trade sources claim that Turkish and Greek export prices have been extremely competitive this season. This, coupled with an increase in prices to Portuguese growers, has further made it difficult for Portugal to export this season. Prices to growers have reportedly increased from 3.7 cents per pound in 1960 to 5.0 cents per pound in 1961. Trade sources say all stocks are in the hands of exporters and a high percentage has been sold for export or domestic use.

MEXICO PLACES RICE UNDER IMPORT CONTROL

Under a decree of December 9, the Mexican Government now requires a Ministry of Industry and Commerce permit for all imports of rice under a November decision to restrict rice imports.

INDONESIAN PALM OIL, KERNEL EXPORTS UP MODERATELY

Official statistics recently released by Indonesia show that country's registered exports of palm oil during 1960 as totaling 119,603 short tons, up 5 percent from the 113,695 tons in 1959. Exports of palm kernels increased 3 percent in 1960 to 36,929 tons from 36,004 in 1959.

Of the palm oil exports, the United States took a much larger portion in 1960 than in the year before while the Belgium-Luxembourg market replaced the Netherlands and West Germany as principal destinations.

Japan was again the major importer of Indonesian palm kernels in 1960 and Belgium-Luxembourg continued in second place. Exports to the United Kingdom, which had been the third most important importer of palm kernels in 1959, fell to zero in 1960 however.

(Table on following page)

PALM OIL AND PALM KERNELS: Indonesia, exports ^{1/} by country of destination, annual 1959 and 1960

Continent and country of destination	Palm oil		Palm kernels	
	1959 ^{2/}	1960 ^{2/}	1959 ^{2/}	1960 ^{2/}
	Short tons	Short tons	Short tons	Short tons
North America:				
United States.....	695	3,382	---	---
Total.....	695	3,382	---	---
Europe:				
Belgium-Luxembourg.....	20,089	60,566	8,722	7,715
Denmark.....	---	---	224	1,604
France.....	649	297	995	---
Germany, West.....	22,820	15,009	2,682	5,636
Italy.....	8,873	7,734	---	---
Netherlands.....	25,439	---	---	---
Poland.....	---	---	111	724
United Kingdom.....	441	---	3,193	---
Total.....	78,311	83,606	15,927	15,679
U.S.S.R.	---	527	---	---
Asia:				
Japan.....	18,789	13,166	17,049	18,082
Penang.....	9,640	12,117	2,750	3,168
Philippines.....	5,438	5,752	---	---
Total.....	33,867	31,035	19,799	21,250
Oceania:				
Australia.....	712	392	---	---
New Zealand.....	110	---	278	---
Total.....	822	392	278	---
Grand total.....	113,695	^{3/} 119,603	36,004	36,929

^{1/} Net weight.

^{2/} Preliminary.

^{3/} Does not add due to unspecified corrections.

Compiled from official sources.

NEW PORTUGUESE REGULATIONS FOR OLIVE OIL MARKETING (CORRECTION)

In an article under the above title published on page 2 of Foreign Crops and Markets (Vol. 83, No. 26) on December 25, 1961, it was erroneously stated "The National Olive Oil Board has informed traders that 45,830 metric tons (50,518 short tons) of oil will be made available for export..." The figures in this statement should have read--4,583 metric tons (5,052 short tons).

NETHERLANDS BIG MARKET FOR FATS IN FEEDS

Consumption of fats in feeds in the Netherlands increased more than 5-fold in the 4 years ended 1960 and is expected to rise further.

About 5 million short tons of mixed feeds were produced in the Netherlands in 1960. Use of fats in feeds is estimated at 12,000 tons plus large quantities used in the production of 60,600 tons of special feed for veal calves. This feed contains 20 to 25 percent fat, usually a mixture of animal and vegetable types. A large number of heavy veal calves are hand-fed with a calf starter made of dried skim milk, tallow, and grain. These animals receive no hay or pasture and the meat produced is very light in color and enjoys strong consumer acceptance.

About 92 percent of all broilers receive mixed feed and 30 to 40 percent of these mixed feeds contain some fat. Customarily, the tallow content of the feed is 2 to 5 percent. Some fat is added to rations for laying hens. The smaller feed mixers do not have facilities for adding fat, and a few producers have not yet taken advantage of the benefits of fat in feeds. Producers of table ducks are likely to increase the use of fat in their rations.

About 70 percent of the dairy cattle are fed mixed grain rations. Up to 5 percent fat may be incorporated in dairy cow rations.

Dutch farmers are reluctant to add animal fats to hog rations as they claim that it results in soft fat on the slaughter hogs. U.S. experiments show that firmness of the fat in the carcass is increased by adding tallow to the ration, but that adding grease has the opposite effect.

The Netherlands is the second largest foreign market for U.S. tallow and greases. Prices of these fats in that country are low compared to feed grain prices, as in the United States.

NEW ZEALAND ANNOUNCES LATEST DEFICIENCY PAYMENTS ON LAMB

On December 4 the New Zealand deficiency payment on lambs killed for export was increased from .3 cent to about 1.5 cents per pound (dressed weight).

Prices received by producers at slaughter plants for 29 to 36-pound lambs averaged \$19.54 per hundred pounds (dressed weight) when the season opened in early November. Prices dropped to \$16.04 by the end of the first week in December and were the lowest since late 1959.

The New Zealand deficiency payment plan was authorized in 1955. There were no substantial payments on lambs prior to December 1961, but some payments have been made on mutton. If the deficiency payments continue at the present rate of 1.5 cents per pound, New Zealand farmers will receive about \$7 million during the present slaughter season. Payments will be made from the Meat Industry Account which has accumulated to about \$100 million.

Price declines in New Zealand are a direct result of the 20 percent increase of lamb and mutton production in Britain in 1961. The United Kingdom has been the major market for New Zealand lamb, taking 97 percent of exports during the 1960-61 slaughter season. Only eight-tenths of one percent came to the United States.

INTERNATIONAL WOOL SHOW IN JOHANNESBURG SOUTH AFRICA

The National Wool Growers Association of the Republic of South Africa will sponsor an international wool show in Johannesburg from April 10 to April 23, 1962. The association requests entries from the United States and hopes that U.S. interests in turn in future years will act as hosts for this annual competition.

The prize for grand champion ram fleece is 100 Rand or \$140.60, Reserve Champion 50 Rand, First prize 20 Rand, Second prize 10 Rand and Third prize 5 Rand. Similar prizes for ewe and/or wether fleeces will be given.

The entry list is as follows:

Merino Ram Fleeces:

<u>Fine</u>	<u>Medium</u>	<u>Strong</u>	<u>Extra Strong</u>
70's and finer	64-70's	60-64's	58-60's

Merino Ewe or Wether Fleeces:

<u>Super fine</u>	<u>Fine</u>	<u>Medium</u>	<u>Strong</u>
74's and finer	70-74's	64-70's	60-64's

(Fleeces of the above classes should be unskirted; only locks and shorts should be removed. Bellies are not required).

Merino Group Lines (5 fleeces from ewes and/or wethers):

<u>Fine</u>	<u>Medium</u>	<u>Strong</u>
70's and finer	64-70's	60-64's

(Fleeces should be skirted).

Any Other Variety of Fleece:

(a) Rams (b) Ewe or wether

(These fleeces comprise those from recognized British breeds as well as those from Corriedales and Polworths. Fleeces should be unskirted; only locks and shorts should be removed. Bellies are not required).

Additional information regarding the show's general rules and conditions is available from the Livestock and Meat Products Division, USDA Foreign Agricultural Service, Washington 25, D.C., or the Competition Secretary, N.W.G.A. Fleece Competition, P.O. Box 137, Middelberg, Cape Province, Republic of South Africa.

BRITAIN WILL DELAY HOG
CHOLERA PROGRAM UNTIL 1963

Britain's compulsory slaughter and indemnity program to eradicate hog cholera will not begin until early 1963 "in view of the present overriding need for greater economy in Government expenditure," the Minister of Agriculture Fisheries and Food has announced. Slaughter of infected and exposed hogs was to have begun in 1962 (Foreign Crops and Markets, August 28, 1961).

MEXICAN WINTER VEGETABLE
PLANTINGS

The following acreages had been planted to winter vegetables in the Culiacan Valley 1/ through December 10:

Commodity	: Acreage planted : : Dec. 1 - Dec. 10 :	: Total acreage : : planted through : : Dec. 10 :	:: Acreage : planted through : Dec. 10, 1960
	: : - - - - - : : acres - - - - -	:	:
Pole tomatoes.....	: 445	: 5,310	: 10,320
Ground tomatoes.....	: 1,540	: 15,080	: 29,750
Bell peppers.....	: 255	: 2,980	: 4,920
Cucumbers.....	: 55	: 355	: 1,155
Snap beans.....	: 20	: 320	: 970
Eggplant.....	: 10	: 120	: 200
Chili peppers.....	: 70	: 930	: 1,285

Light showers and cloudy skies were prevalent during the week ending December 9, which encouraged the spread of plant diseases. However, most of the growers were able to control the infestations and over-all damage was minor.

Most of the growers began harvesting around December 18 and shipments are expected to reach about the same levels as last year.

1/ The Culiacan Valley accounts for approximately two-thirds of the tomato acreage, half of the bell pepper acreage and 45 percent of the other vegetable acreages.

NEW PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Single copies free to persons in the United States
from the Foreign Agricultural Service,
U. S. Department of Agriculture,
Washington 25, D.C.,
Room 5555.
Phone: DUdley 8-2445.

The Olive Industry of Mexico. Foreign Agriculture Report No. 85.

World Cotton Supply and Demand Situation and Outlook. Foreign Agriculture Circular FC 16-61.

World Cotton Stocks Steady in 1961-62. Foreign Agriculture Circular FC 17-61.

World Cotton Trade Declines in 1961-62 From Recent Highs. Foreign Agriculture Circular FC 18-61.

Market for U.S. Fats, Oils, and Oilmeal in Iran. FAS M-124.

U.S. Soybean, Edible Oil, Oilcake Exports Down Sharply. Foreign Agriculture Circular FFO 18-61.

Smaller World Corn Crop Forecast. Foreign Agriculture Circular FG 14-61.

World Rice Production Reduced by Weather. Foreign Agriculture Circular FR 7-61.

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